

STATEMENT OF PURPOSE

RS27248 / H0401

The purpose of this legislation is to amend the definition of mortgage lender to include entities engaged in mortgage servicing activities, and to eliminate duplicative licensing and compliance requirements for the activity of servicing residential mortgage loans. Additionally, the legislation revises definitions to exclude commercial construction lending from applicable licensing requirements. Further, the legislation expands an exemption for de minimis lending activity conducted for investment purposes. The legislation also reduces licensing requirements for licensees and applicants, and eliminates associated prohibited practices. Finally, the legislation grants temporary authority to originate residential mortgage loans to covered persons who have applied for a license as an individual mortgage loan originator.

FISCAL NOTE

The proposed legislation is projected to decrease license renewal applicants under the Idaho Credit Code and Idaho Collection Agency Act, as companies who maintain additional licenses under those acts transition to a single license under the Idaho Residential Mortgage Practices Act. The fiscal impact to the Idaho Department of Finance State Regulatory Fund (FIAA) is an estimated loss of \$33,000 in FY 2021.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).